

Marc G. Whitefield  
Robert J. Finkel  
Richard M. Selik  
Alan J. Ferrara  
Stephen M. Feldman  
David E. Sims  
Eric T. Weiss  
Nancy Harris Pearce  
Stephen D. Kursman  
Michael L. Weissman  
Daniel G. Levan  
Mark E. Merlanti  
Matthew A. Ferrara



FINKEL **WHITEFIELD** SELIK

RECORDATION NO. 30896  
FILED August 16, 2013 03:50 PM  
SURFACE TRANSPORTATION BOARD

August 16, 2013

**Ms. Barbara Saddler**

Surface Transportation Board Recordation Office  
395 E Street, S.W.  
Washington, DC 20024

**Re: Primary STB Recordation**

Dear. Ms. Saddler:

Enclosed for recordation purposes pursuant to 49 U.S.C. §11301(a), are one original and one copy of the Memorandum of Security Agreement, dated as of August 14<sup>th</sup>, 2013 (the "Memorandum"). The Memorandum is a primary document as defined in the Board's Rules for the Recordation of Documents. The Memorandum evidences a security agreement among the following parties:

**Secured Party:**

John Yousif  
1409 Secretariat LN  
Waxhaw, NC 28173

**Debtors:**

Michigan Air-Line Railways Co. f/k/a Coe Rail, Inc.  
840 North Pontiac Trail  
Walled Lake, Michigan 48390

Railmark Holdings, Incorporated  
840 North Pontiac Trail  
Walled Lake, Michigan 48390

Railway Express Agency, Inc.  
840 North Pontiac Trail  
Walled Lake, Michigan 48390

Rail Freight Solutions, Inc.,  
50244 Dennis Court  
Dennis Industrial Complex  
Wixom, MI 48393



FINKEL **WHITEFIELD** SELIK

B. Allen Brown II  
50244 Dennis Court  
Dennis Industrial Complex  
Wixom, MI 48393

A short summary of the document to appear in the index is: Memorandum of Security Agreement.

A description of the railroad equipment to be covered by Memorandum of Security Agreement includes the following:

1. CABOOSE: A 1972-built for the Detroit, Toledo & Ironton Railroad (DTI), Extended Vision Caboose Originally DTI 141, now ABRX 5.
2. LOCOMOTIVE: A 1953 built for the Bessemer & Lake Erie Railroad (BLE), EMD F7 -A Diesel Locomotive #725A This diesel passenger train locomotive was built by EMD in February 1953 and assigned a builder's number #17909. The unit's features are E-Couplers, Hyatt Oil bearings, Comp Shoes, 24-L Brakes, and contains an installed 220-Volt Block Heater. Locomotive was ordered new as a freight-g geared locomotive, 1,500 Horsepower, This was the last year for the F-7 (1953) and it is referred to as the "Phase 2" of F-7s. The BLE had purchased a total of 28 F7-A's, numbered 701A through 728A. The unit comes with spare filters, belts and some other parts. The Unit has a 567C block and has been upgraded with 645 power assemblies.
3. LOCOMOTIVE: Built by EMD in March 1960. This is SW1200 EMD Locomotive; Original "CRLE 1512", now ABRX 1512 - Serial # 25744 and Fram# 4437-1.

Also enclosed is a check in the amount of \$42.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Please kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

Finkel Whitefield Selik

David E. Sims

DES/sep  
enclosures

**MEMORANDUM OF SECURITY AGREEMENT**

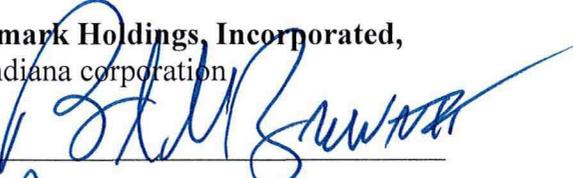
This Memorandum of Security Agreement (the "**Memorandum**") is dated as of August 14<sup>th</sup>, 2013, by and among B. Allen Brown II, a Michigan Resident ("**Brown**"), Rail Freight Solutions, Inc., a Michigan corporation ("**RFS**"), Railmark Holdings, Incorporated, an Indiana corporation ("**Railmark**"), Railmark Track Works, Inc., a Michigan corporation ("**RTW**") and Railway Express Agency, Inc., a Kentucky corporation ("**Railway**"). (Brown, RFS, Railmark, Railway, and RTW, each individually a "**Debtor**" and collectively "**Debtors**") and John Yousif, a North Carolina Resident, at his principal resident at 1409 Secretariat LN, Waxhaw, NC 28173 (the "**Secured Party**").

The Borrowers and the Secured Party have entered into secured financing arrangements, as set forth in various agreements, documents and instruments, including, without limitation, the Security Agreement, dated August 14<sup>th</sup>, 2013(as amended, modified or supplemented from time to time, the "Security Agreement") pursuant to which each Debtor has granted to the Secured Party a security interest in and lien upon all assets and properties of such Debtor, whether now owned or hereafter arising or acquired, including, without limitation, the railroad locomotives, railcars, equipment and other rolling stock identified on Exhibit "A" annexed hereto (the "Railroad Equipment").

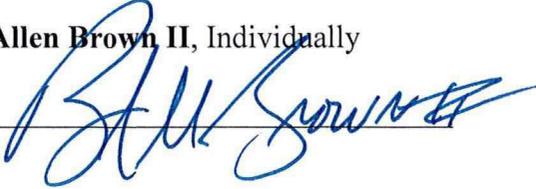
The purpose of the Memorandum is to give record notice of the existence of the security interest and lien of the Secured Party in the Railroad Equipment and all other assets or properties now owned or hereafter acquired by each Debtor, and all of the terms and conditions of the Security Agreement are incorporated herein by reference.

This Memorandum is prepared for public record and is being recorded with the Surface Transportation Board pursuant to 49 U.S.C. § 11301(a),

IN WITNESS WHEREOF, the undersigned had caused this Memorandum to be executed by a duly authorized officer as of the day and year first written above.

**Railmark Holdings, Incorporated,**  
an Indiana corporation  
By:   
Its: President & CEO

**Railway Express Agency, Inc.,**  
a Kentucky corporation  
By:   
Its: President & CEO

**B. Allen Brown II, Individually**  
By: 

**Rail Freight Solutions, Inc.**  
A Michigan corporation,  
By: [Signature]  
Its: President + CEO

**Railmark Track Works, Inc.,**  
a Michigan corporation  
By: [Signature]  
Its: President + CEO

**Secured Creditor**

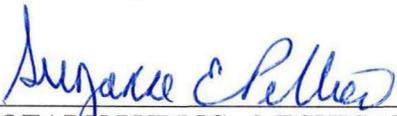
John Yousif

By: \_\_\_\_\_

[notaries on next page]

STATE OF MICHIGAN     )  
COUNTY OF OAKLAND   )ss  
                                  )

On this day, August 14<sup>th</sup>, 2013, before me personally appeared Bobby Allen Brown II, a/k/a B. Allen Brown to me personally known, who being duly sworn, did depose and say, that he is the President of RAILWAY EXPRESS AGENCY, INC., the corporation described in and which executed the foregoing instrument; and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

  
\_\_\_\_\_  
NOTARY PUBLIC - MICHIGAN  
OAKLAND COUNTY  
MY COMMISSION EXPIRES

SUZANNE E. PELTIER  
NOTARY PUBLIC, STATE OF MI  
COUNTY OF OAKLAND  
MY COMMISSION EXPIRES Nov 8, 2018  
ACTING IN COUNTY OF *Oakland*

STATE OF MICHIGAN     )  
COUNTY OF OAKLAND   )ss  
                                  )

On this day, August 14<sup>th</sup>, 2013, before me personally appeared Bobby Allen Brown II a/k/a B. Allen Brown to me personally known, who being duly sworn, did depose and say, that he is the President of RAILMARK HOLDINGS, INC., the corporation described in and which executed the foregoing instrument; and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation

  
\_\_\_\_\_  
NOTARY PUBLIC - MICHIGAN  
OAKLAND COUNTY  
MY COMMISSION EXPIRES

SUZANNE E. PELTIER  
NOTARY PUBLIC, STATE OF MI  
COUNTY OF OAKLAND  
MY COMMISSION EXPIRES Nov 8, 2018  
ACTING IN COUNTY OF *Oakland*

STATE OF MICHIGAN )  
COUNTY OF OAKLAND )ss  
)

On this day, August 14th , 2013, before me personally appeared Bobby Allen Brown II a/k/a B. Allen Brown, to me personally known, who being duly sworn, did depose and say, that he is the President of RAIL FREIGHT SOLUTIONS, INC., the corporation described in and which executed the foregoing instrument; and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

  
\_\_\_\_\_  
NOTARY PUBLIC - MICHIGAN  
OAKLAND COUNTY  
MY COMMISSION EXPIRES

SUZANNE E. PELTIER  
NOTARY PUBLIC, STATE OF MI  
COUNTY OF OAKLAND  
MY COMMISSION EXPIRES Nov 8, 2018  
ACTING IN COUNTY OF *Oakland*

STATE OF MICHIGAN )  
COUNTY OF OAKLAND )ss  
)

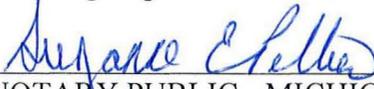
On this day, August 14<sup>th</sup>, 2013, before me personally appeared B. Allen Brown II, to me personally known, who being duly sworn, did depose and say, that described in and which executed the foregoing instrument; and that said instrument was signed and sealed on his behalf, and he acknowledged that the execution of the foregoing instrument was at his free act and deed of his own will. .

  
\_\_\_\_\_  
NOTARY PUBLIC - MICHIGAN  
OAKLAND COUNTY  
MY COMMISSION EXPIRES

SUZANNE E. PELTIER  
NOTARY PUBLIC, STATE OF MI  
COUNTY OF OAKLAND  
MY COMMISSION EXPIRES Nov 8, 2018  
ACTING IN COUNTY OF *Oakland*

STATE OF MICHIGAN     )  
COUNTY OF OAKLAND   )ss  
                                  )

On this day, August 14th , 2013, before me personally appeared Bobby Allen Brown II a/k/a B. Allen Brown to me personally known, who being duly sworn, did depose and say, that he is the President of RAILMARK TRACK WORKS, INC., the corporation described in and which executed the foregoing instrument; and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation

  
\_\_\_\_\_  
NOTARY PUBLIC - MICHIGAN  
OAKLAND COUNTY  
MY COMMISSION EXPIRES

SUZANNE E. PELTIER  
NOTARY PUBLIC, STATE OF MI  
COUNTY OF OAKLAND  
MY COMMISSION EXPIRES Nov 8, 2018  
ACTING IN COUNTY OF *Oakland*

STATE OF MICHIGAN     )  
COUNTY OF OAKLAND   )ss  
                                  )

On this day, August 14<sup>th</sup>, 2013, before me personally appeared John Yousif to me personally known, who being duly sworn, did depose and say, that described in and which executed the foregoing instrument; and that said instrument was signed and sealed on his behalf, and he acknowledged that the execution of the foregoing instrument was the free act and deed of his own will. .

\_\_\_\_\_  
NOTARY PUBLIC - MICHIGAN  
OAKLAND COUNTY  
MY COMMISSION EXPIRES

## Exhibit A

1. CABOOSE: A 1972-built for the Detroit, Toledo & Ironton Railroad (DTI), Extended Vision Caboose Originally DTI 141, now ABRX 5
  
2. LOCOMOTIVE: A 1953 built for the Bessemer & Lake Erie Railroad (BLE), EMD F7 -A Diesel Locomotive #725A. This diesel passenger train locomotive was built by EMD in February 1953 and assigned a builder's number #17909. The unit's features are E-Couplers, Hyatt Oil bearings, Comp Shoes, 24-L Brakes, and contains an installed 220-Volt Block Heater. Locomotive was ordered new as a freight-gearred locomotive, 1,500 Horsepower, This was the last year for the F-7 (1953) and it is referred to as the "Phase 2" of F-7s. The BLE had purchased a total of 28 F7-A's, numbered 701A through 728A. The unit comes with spare filters, belts and some other parts. The Unit has a 567C block and has been upgraded with 645 power assemblies A Diesel Locomotive #725A and now ABRX 725.
  
3. LOCOMOTIVE: Built by EMD in March 1960. This is SW1200 EMD Locomotive; Original "CRLE 1512", now ABRX 1512 - Serial # 25744 and Fram# 4437-1.
  
3. Backhoe: CASE 580 Super E Backhoe - Serial# 17033269
4. Hi-Rail Truck VIN # 1FDHF25H7VEC94773; Title No. 121Y3360076 F